



PRESS RELEASE

UNIPOL GRUPPO FINANZIARIO S.P.A.: ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

GRANTED TO THE BOARD OF DIRECTORS THE AUTHORITY TO INCREASE THE SHARE CAPITAL BY A MAXIMUM OF €1,100M, RELATIVE TO THE BUSINESS INTEGRATION WITH THE FONDIARIA SAI GROUP, SUBJECT TO THE REVERSE STOCK-SPLIT OF OUTSTANDING ORDINARY AND PREFERENCE SHARES AT A RATIO OF ONE FOR EVERY HUNDRED

CONFIRMED MR ADRIANO TURRINI AS A MEMBER OF THE BOARD OF DIRECTORS OF THE COMPANY

BOLOGNA, 19 March 2012 – The Shareholders' Meeting of Unipol Gruppo Finanziario SpA ("UGF") held today, decided during the extraordinary part of the meeting:

- To grant, pursuant to Article 2443 of the Civil Code, authorisation to the Board of Directors to carry out a capital increase against payment and in a divisible manner, in one or more tranches, before 31 December 2012, by a maximum of €1,100m, including any share premium, through the issuance of ordinary and preference shares with no par value and regular dividend rights, with subscription rights available to shareholders in proportion to the number of shares held by them, conferring full authority to the administrative body to determine the procedures, terms and conditions of the Capital Increase, within the limits indicated above;
- The reverse stock-split of the outstanding ordinary and preference shares according to the following ratio: one new ordinary share for every one hundred ordinary shares held in the Company and one new preference share for every one hundred preference shares held in the Company, with simultaneous adjustment of Articles 5 and 19 of the Company's By-laws.

The Shareholders' Meeting, in ordinary session, also decided:

- To confirm the number of members of the Board of Directors at 25;
- To appoint Mr Adriano Turrini as Director of the Company, pursuant to Article 2386, first paragraph, of the Civil Code, whose term will expire along with the Directors on the occasion of the Shareholders' Meeting held to approve the 2012 financial statements.

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During the Shareholders' Meeting, after commenting on the consolidated figures of the Unipol Group and the main financial and economic figures of the Unipol Banca banking group at 31 December 2011, the CEO - also with the aid of *slides*, available on the Company website (www.unipol.it), to which you are referred - provided a comprehensive illustration on the basis of the figures and current evidence and calculations performed by the Company, of the estimates of the key economic, capital and financial effects of the prospective integration with the Premafin-Fondiaria Sai Group also explaining the consequences of the operation on the economic and capital situation of the Unipol Group.

In addition to the contents of the explanatory report prepared for the Shareholders' Meeting - also in order to respond to a request from Consob pursuant to Article 114, paragraph 5 of the Consolidated Finance Law ("CFL") and to provide answers to certain questions received by the Company pursuant to Article 127-*ter* of the CFL - the following information was given:

- 1) The capital increase for which authorisation has been requested from the shareholders, pursuant to Article 2443 of the Civil Code, is part of the integration plan with the Premafin-Fondiaria Sai Group, which aims to safeguard the current and future solvency of this Group and constitute a leading national operator in the insurance industry, creating value for all shareholders.

The resources deriving from the said increase in capital will be allocated in part to the subscription of a capital increase of Premafin reserved for UGF, in order to allow Premafin (and its subsidiary Finadin S.p.A.) to subscribe to the capital increase of Fondiaria Sai for its respective quota, resulting in the acquisition by UGF of legal control of Premafin (and thus of indirect control of Fondiaria Sai), and, for the remainder, an increase in the Unipol Group capital, as a result of the above-mentioned acquisition.

In this perspective, the increase in capital referred to must be considered closely and inseparably connected to the acquisition of control of Premafin by UGF, with the consequence that it will be performed only and exclusively in the event that the said acquisition takes place;

- 2) As already announced to the market on 29 January 2012, under the Agreement concluded by UGF with Premafin in order to perform the overall integration plan mentioned above, it is expected that, as is common market practice for takeover operations, the majority of the directors appointed by the shareholders of Premafin, Fondiaria Sai, Milano Assicurazioni and their respective subsidiaries will resign in order to allow the creation of boards that are an expression of the new controlling shareholder. With this in mind - and subject to the acquisition of control of Premafin - UGF undertook (i) not to propose and to ensure, within its area of responsibility, that the Shareholders Meetings of Premafin, Fondiaria Sai, Milano Assicurazioni and their respective subsidiaries do not propose or otherwise approve, actions

for liability or other legal actions against directors and auditors of such companies in office over the past five years, in relation to the work and activities performed by them in such capacity until the date of signing of the Agreement, that is, until 19 January 2012, and (ii) to indemnify such persons if, contrary to the above, these actions were proposed to them by the vote of the controlling shareholder. No releases from liabilities or compensation of any kind have been granted or provided for shareholders or members of the management of Premafin, Fondiaria Sai, Milano Assicurazioni and their respective subsidiaries;

- 3) Regarding the timing of the operation, in addition to what was already communicated to the market on 29 January 2012, based on information currently available, an update was provided on the dates of major corporate events, provided that the same should still be considered indicative, given the fact that some events are not within the control of the Unipol Group. Given that the capital increase of Fondiaria Sai must be executed as soon as possible, in order to restore the solvency margin required by the applicable supervisory regulations, it is held that the Premafin Shareholders' Meeting to approve the capital increase reserved to UGF should take place within the month of May next and that consequently the Board of Directors of Premafin should convene that meeting, which will also approve the recovery plan pursuant to Article 67 of the Bankruptcy Law, by the end of this month of March. As known, before the subscription of the increase in Premafin capital reserved for UGF, there shall be Board of Directors meetings of the companies involved in the approval of the merger by incorporation of Premafin, Unipol Assicurazioni and Milano Assicurazioni into Fondiaria Sai. In this regard, UGF is working with the help of its advisors to determine quickly with the companies of the Premafin-Fondiaria Sai Group the essential elements of the merger, including those related to the determination of the exchange ratio; 4)

The proceeds of the capital increase of UGF will be allocated as follows:

- (i) Maximum of €400m for the paying in of the Premafin capital increase, excluding option rights pursuant to Article 2441, paragraph five, of the Civil Code, reserved for UGF, which will equip Premafin with the resources necessary for its subscription and that of its subsidiary Finadin of their respective shares of the Fondiaria Sai capital increase decided today. This increase reserved for UGF is inserted into an appropriate plan to allow the restructuring of Premafin's outstanding debt exposure and ensure the rebalancing of its financial situation, pursuant to Article 67 of the Bankruptcy Act;
- (ii) Maximum of €700m to increase the capital of the Unipol Group, as reported following the acquisition of control of Premafin (and thus the indirect control of Fondiaria Sai), in order to equip the Unipol Group with excess capital to implement the business strategies contained in the Group's new plan, which will provide



it with solid ratios of current and prospective solvency. In the context of the merger of Premafin, Milano Assicurazioni and Unipol Assicurazioni into Fondiaria Sai, it is expected that up to €600m will be allocated to the subscription, by UGF, of a capital increase of the subsidiary Unipol Assicurazioni;

- 5) Unipol Assicurazioni has not issued any guarantee for or in favour of Unipol Banca SpA;
- 6) Finsoe has confirmed its commitment and support to the integration plan of the Unipol Group with the Premafin-Fondiaria-Sai Group, through the subscription of its quota of the capital increase of UGF, which is the theme of today's Shareholders' Meeting. In order to have the necessary financial resources, the Extraordinary Meeting of 16 March last of Finsoe decided to authorise its Board of Directors to increase its share capital up to a maximum of €300m.

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